EU defence policy: seeking complementarities with NATO

By Nigel Chamberlain and Ian Davis, NATO Watch

Echoing Secretary General Rasmussen's speech at the 2013 annual session of the NATO Parliamentary Assembly in Dubrovnik, Croatia on 11 October 2013, the European Council document on a Common Security and Defence Policy (CSDP) opens with "Defence Matters. … Defence budgets in Europe are constrained, limiting the ability to develop, deploy and sustain military capabilities. Fragmented European defence markets jeopardise the sustainability and competitiveness of Europe's defence and security industry".

The document, adopted at the EU Summit on 19 December 2013, states that the European Council is making a strong commitment to the further development of a credible and effective CSDP and will:

> Continue to develop in full complementarity with NATO in the agreed framework of the strategic partnership between the EU and NATO and in compliance with the decision-making autonomy and procedures of each. This requires having the necessary means and maintaining a sufficient level of investment.

The Council then calls on Member States to deepen defence cooperation by improving the capacity to conduct missions and operations and to establish a more integrated, sustainable, innovative and competitive European Defence Technological and Industrial Base (EDTIB). They highlight three key priority areas:

1. Increasing the effectiveness, visibility and impact of CSDP

As the EU has the capacity to combine policies and tools ranging from diplomacy, security and defence to finance, trade, development and justice, international crisis management is a priority. To enable the EU and its Member States to respond, in coherence with NATO efforts, the European Council calls for:

- an EU Cyber Defence Policy Framework in 2014;
- an EU Maritime Security Strategy by June 2014;
- increased synergies between CSDP and Freedom/Security/Justice actors to tackle horizontal issues such as illegal migration, organised crime and terrorism;
- progress in developing CSDP support for third states and regions, in order to help them to improve border management; and
- further strengthening cooperation to tackle energy security challenges.

The European Council asked the High Representative to assess the impact of changes in the global environment, and to report to the Council with progress made and developments in the course of 2015.

2. Enhancing the development of capabilities

The Council states that cooperation, pooling and consolidating are crucial to maintaining key capabilities, remedying shortfalls and avoiding redundancies. It believes that realising economies of scale will allow Member States to enhance the efficient use of resources and ensure interoperability, including with key partner organisations such as NATO. The European Council welcomes:

- development of Remotely Piloted Aircraft Systems (RPAS), preparations for a programme of a next-generation

European Medium Altitude Long Endurance RPAS and the establishment of an RPAS user community among the participating Member States owning and operating them;

- development of Air-to-Air refuelling capacity: progress towards increasing overall capacity, particularly the establishment of a Multi- Role Tanker Transport capacity;
- preparations for the next generation of Governmental Satellite Communication through close cooperation between the Member States, the Commission and the European Space Agency; and
- development of the EU Cybersecurity Strategy and a roadmap focused on training and exercises, improving civil/military cooperation.

The European Council document concludes that:

Cooperation should be facilitated by increased transparency and information sharing in defence planning, allowing national planners and decision-makers to consider greater convergence of capability needs and timelines. To foster more systematic and long-term cooperation the European Council invites the High Representative and the European Defence Agency to put forward an appropriate policy framework by the end of 2014, in full coherence with existing NATO planning processes.

3. Strengthening Europe's defence industry

The Council calls for the EDTIB to be strengthened "to ensure operational effectiveness and security of supply, while remaining globally competitive and stimulating jobs, innovation and growth across the EU" and highlights the need to further develop the necessary skills essential to the future of the European defence industry.

The document states that "a well-functioning defence market based on openness, equal treatment and opportunities, and transparency for all European suppliers is crucial" and calls for the opening up the market for subcontractors from all over Europe, ensuring economies of scale and allowing a better circulation of defence products".

Research – dual-use

The Council deems it essential to retain defence Research & Technology (R&T) expertise, especially in critical defence technologies and invites the Member States to increase investment in cooperative research programmes, in particular collaborative investments, and to maximise synergies between national and EU research. It also recognises that civilian and defence research reinforce each other, including in key enabling technologies and on energy efficiency technology. It invites the Commission and the European Defence Agency (EDA) to work closely with Member States to develop proposals to stimulate further dual use research.

Certification and standardisation

In order to reduce costs, harmonise demand and enhance interoperability, it is crucial to develop standards and certification procedures for defence equipment. The EDA and the Commission will prepare a roadmap for the development of defence industrial standards by mid-2014, without duplicating existing standards, in particular NATO standards.

Small and medium-sized enterprises (SMEs)

SMEs are considered important for the defence supply chain, "a source of innovation and key enablers for competitiveness", including collaboration across borders. The Council calls for support for regional networks of SMEs and 'strategic clusters'.

Security of Supply

The European Council emphasises the importance of Security of Supply arrangements for the development of long-term planning and cooperation, and for the functioning of the internal market for defence. It calls for a roadmap for a comprehensive EU-wide Security of Supply regime, taking into account the globalised nature of critical supply chains.

Ways forward?

The European Council document states:

The European Council invites the Council, the Commission, the High Representative, the European Defence Agency and the Member States, within their respective spheres of competence, to take determined and verifiable steps to implement the orientations set out above. The European Council will assess concrete progress on all issues in June 2015 and provide further guidance, on the

basis of a report from the Council drawing on inputs from the Commission, the High Representative and the European Defence Agency.

NATO Watch comment

Concluding his speech in Dubrovnik, [Secretary General Rasmussen](#) said:

> *If we want to continue to reap the benefits of defence, there is no alternative. We must continue to invest in defence. We must continue to invest in NATO -- politically, militarily, and financially. And we must continue to look for ways to share the transatlantic defence burden more fairly. The European Council Summit dedicated to security and defence at the end of the year, and our own NATO Summit next year, will be ideal opportunities to take concrete action and to rebalance this burden.*

It would seem, in theory at least, that the European Council is singing from NATO's hymn sheet, particularly in regard to investment in drones, air-to-air refuelling capacity, satellite communication and cyber security. If Europe delivers all of the wish list, then defence companies are going to reap something of a bonanza in the years to come, as we suggested in an earlier NATO Watch briefing: ['Rasmussen once again calls on the EU to invest more in defence capabilities'.](#)

However, the EU's high representative and the EDA face a daunting task in trying to increase transparency and information sharing in defence planning in cooperation with NATO planning processes. For over three decades, defence experts have been calling for Member States (whether wearing NATO or EU hats) to disclose information about defence planning and procurement in sufficient detail to enable two or more countries to develop and buy the same capability. But it rarely happens in practice and with mixed results when it does.

Modest, short-term deliverables of 'low-hanging fruit', include EU-level certification for military planes rather than the current process of certifying military planes in different EU countries and value-added tax exemption for cooperative defence . But the absence of imaginative thinking in terms of military cooperation in the EU Summit conclusions reflect a continuing preference for national-centric rather than collective security approaches to defence procurement.